

FORCING GERMANY IMPERILS BRITAIN'S TRADE, SAYS GIBBS

Tentons' Plan Would Give
Them Possession of the
World Markets.

WORKERS SATISFIED

Accept 15 Cents an Hour,
While English Are Slack-
ing at 60 Cents.

STATESMEN NOW UNEASY

Realize That Cry of 'Make the
Enemy Pay!' May Prove
Boomerang.

By Sir PHILIP GIBBS.

Special Cable to The New York Herald.
LONDON, June 25.—The facts I re-
ported in my last despatch about Ger-
man industry and the determination
of the German people to pay the in-
demnities if it is humanly possible
by an intense development of ex-
ports have been discussed by big
financial men in England, not with-
out anxiety. The speech of Reginald
McKenna, former Chancellor of the
Exchequer, reaching exactly similar
conclusions, showing that if Germany
pays that way British trade will be
destroyed, to say nothing of Ameri-
can trade, has awakened public in-
terest to the new danger, which had
not been realized before by simple
souls.

They are now faced by a grotesque
paradox, that when they shouted
"Make Germany pay!" they were
clamoring for their own industrial
ruin. Mr. McKenna's suggestion
that Germany should be made to pay
in raw materials would not help
England, because in coal we already
have raw material which we could
not sell at present prices, even if our
miners would consent to work again.

To Raise Value of Mark.

I see only one way out of that
dilemma about German indemni-
ties, which presents us with a choice
between two evils—payment by over-
whelming competition and non-pay-
ment with allied war debts still bur-
dening our peoples. The way out is
by economic arrangements with Ger-
many by Great Britain, France and
the United States which will bal-
ance imports with exports and raise
the value of the German mark so
Germany cannot undersell the world
at exchange rates. How that is to be
done I am not sufficient of an expert
to devise, but it ought not to pass the
wit of man.

Even France's statesmen are be-
ginning to realize that cooperation
with German labor and industrial
organizations may be a better policy
than the mere extraction of tribute
from Germany, thereby continually
developing its resources in the world
markets at the expense of France.
The iron ore of Lorraine needs the
coal from Westphalia and the other
way about.

The discussions held between Wal-
ter Rathenau and Louis Loucheur,
Ministers of Reconstruction in Ger-
many and France, respectively, may
result in an economic compact of
great importance to both countries,
and may serve the cause of common
sense in its victory over passion.
If this succeeds, it will be the first
step forward in a new policy in
Europe, which must prevail as the
one escape from armed aggression,
namely, an economic union of inter-
ests by which raw materials and all
natural resources shall be exchanged
and developed between the countries
and according to their respective
needs and industrial potentialities.

Interdependence the New Policy.

This new policy of replacing the
rivalry of races by economic inter-
dependence is only beginning to
glimmer in the old men's brains—
old, tired men who still cling to the
power of old traditions—but the
pressure of national forces and
urgent perils are shaping that way.
More than that, it is common arith-
metic which is going to dictate the
high policy. Domestic and foreign
affairs will utterly be controlled, so
far as Great Britain is concerned, by
such simple sums as four from six
leaves two, and four into three won't
go.

For instance, Winston Churchill's
romantic dreams of irrigating Mes-
opotamia, so that the Garden of Eden
may again blossom forth from the
desert sands, have been rudely shat-
tered by unkind critics, who point
out that money sent to Arab wastes
means so much less in English
pockets at a time when tax col-
lectors are searching our trousers for
the last threepenny bit in order to
pay doles to unemployed men. Mr.
Churchill's imperial arithmetic sim-
ply won't work. As a subtraction
sum it is jeered at by the whole
school.

So again with the help to the Greeks
in a new campaign against Turkey.
There are groups of political gentle-
men in England not altogether ig-
norant of finance who would like us
to support King Constantine and the
Greek army with munitions of war
for certain rewards hitherto not spec-
ified. But other financial experts, and
the man in the street, who does most
of the paying and most of the dying
when it comes to war, are protesting

with no uncertain voice that what they
need is not a Greek war but some-
thing off the British income tax. That
is not quite so simple as it looks.

Trouble Ahead in Near East.

There is a possibility of grave trouble
ahead in which British troops may be
involved. I say that with peril looming
ahead when I went to Greece and Tur-
key last year and then to Asia Minor.
The situation in Constantinople wasn't
very reassuring even then. Every
Turk in that city on the Golden Horn
was at heart a Nationalist, hating
every British soldier boy as an enemy
of Allah and His Prophet and con-
spiring to give help to Mustafa Kemal
Pasha, the Nationalist leader in Asia
Minor, who is raising the banner of
Islam in defiance of the Sultan, who
is a puppet in our hands.

A few battalions of British boys and
a few warships in the Bosphorus held
Constantinople for the allied Powers,
but our troops could do no more than
demonstrate on the fringe of the
Asiatic shore, blow a few bugles, hoist
a flag and depart when the Turkish
bands approached too close. They came
close enough to plant batteries within
range of the Dardanelles but then
withdrew when the Greek army, under
orders from Venizelos, broke the Turk-
ish line in the hinterland of Smyrna.
Since then many things have hap-
pened. The Greek soldiers have their
king again, but still no peace and
precious little trade. Mustafa Kemal
Pasha has gathered strength again.
The Turkish Nationalists have linked
with the Russian Bolsheviks in Georgia,
on the eastern side of Asia Minor, as
well as with the Bolsheviks in the
Black Sea ports. They are getting
arms and ammunition from Russia
and they pledge their faith to get back
Smyrna and Thrace from the Greeks
and to restore liberty to the Sultan in
Constantinople.

Greece in Poor Position.

Meanwhile France and Italy are pro-
Turk because of trade interests and
political dislike of Greek power in the
Mediterranean. Greece therefore looks
to Great Britain as her only cham-
pion, and Britain, outside the Foreign
Office and certain trading houses, looks
not at all toward the Greek Isles and
the city of minarets where the Golden
Horn flashes like a curved scimitar, but
stares inward at her own State, where
the coal fields are still idle and the
factory chimneys no longer smoke and
millions of her workmen lounge
about while their leaders call for fur-
ther strikes.

I am rather uneasy about that situa-
tion in the Near East, for it is a dan-
ger spot between the East and West,
which for centuries has been a cockpit
of war and massacres and the cause
for conflicts, with Constantinople as
the devilish temptation. Sentimentally
I am all for the Greeks, but this is no
time for sentiment, and the troubles
at home are too serious for any ad-
ventures abroad.

British labor is still putting up a
stubborn fight against a reduction in
wages and our great industrial cities
are silent and smokeless. Long con-
tinuance of the coal strike is leading
us toward a precipice over which all
hopes of regaining our old prosperity
will be dashed to pieces. Every fac-
tory is being starved of its vital needs
and every trade is grievously injured.
The mental attitude of the men is
simple enough, as I have explained be-
fore. They are not out for revolution,
though revolutionary agitators are
among them. They are struggling to
maintain the standard of life to
which they were lifted up during the
war and to get a fair margin beyond
the bare necessities for some of the
fun of life and some of its little lux-
uries.

Poverty and Labor Ahead.

That is legitimate enough. I sym-
pathize with them heartily. But
whereas their hopes for this margin
might have been fulfilled before the
war they are impossible of attainment
after the war, now that our old cus-
tomers cannot afford to buy at our

prices. The policy of the British work-
ingman has come sharp up against
arithmetical realities just as the for-
eign policy of our imperialists has
done. Unfortunately the labor leaders,
who are perfectly aware how those
arithmetical sums work out, have not
dared to tell their men. Having led
them on to strike action by false
promises, they are now afraid to dis-
illusion them.

They haven't told them, for in-
stance, that many of the poorer mines
will never be reopened because it no
longer pays to work them, and thou-
sands of miners will be unemployed
even if they agree to accept lower
wages. They haven't told these men,
especially in south Wales, that no for-
eign countries are willing to buy Welsh
export coal at anything like present
prices, so however they work there is
no chance whatever of the desired
margin of wages for the fun of life.
The painful truth is that poverty and
hard work must be the rule of English
life, not luxury and light work. This
fact is not yet being taught our men
by their leaders.

What is wanted is courageous lead-
ership which will strip reality of all
illusion and bring men face to face
with the stern necessity for harder
work with longer hours and less wages
instead of indulging them in their
present belief that by political pres-
sure they may have lighter work,
shorter hours and more wages.

Germans Accept Situation.

The German people, taught by de-
feat, are facing this necessity with
resolution and energy. They don't like
it, but they know the alternative is
ruin and starvation. That alternative
is the same in Great Britain. There
is no other way for recovery. As I
mentioned in my last article, the Ger-
man workers are toiling for fifteen
cents an hour, whereas British workers
are slacking for forty-two to sixty
cents an hour. That arithmetic does
not work out in terms of wealth for
British trade.

Meanwhile the British Government
is getting into hot water because of
its refusal to grapple with the finan-
cial situation by severe economies and
a policy of peace, reconciliation and
reconstruction within its power. Pre-
mier Lloyd-George is losing his grip
upon the political machinery and pub-
lic opinion. I was told in the United
States that at the time of the Presi-
dential election the question put was
not "Are you against the League of
Nations?" but "Are you sick and tired
of the present Administration?" The
answer being, "By gosh, we are!"

The same question is being asked in
English boroughs and the same an-
swer is being made on all sides. I
must admit, however, that those gen-
tlemen who are winning seats from
Mr. Lloyd-George's coalition and who
are calling themselves "anti-waste"
candidates are playing a game of
humbus with the man in the street.
They are mostly reactionaries of the
Tory cast, whose idea of "anti-waste"
is not a policy of equal sacrifice in all
classes for the sake of the common
weal, but is to safeguard their own
property and profits with labor beaten
to its knees and tamed into the ac-
ceptance of starvation wages. That
kind of "anti-waste" is only going to
lead to trouble.

England, like most other countries
in the world, cries out for some new
nobility of leadership with a far reach-
ing vision of statesmanship which will
inspire all classes with a common zeal
for national service as strong as in
time of war but which is directed to
purposes of peace. So far this first cry
is unanswered, but somewhere or other
this new leader is biding his time. In
some cradle of life he is twiddling his
toes, perhaps.

COMMUNISTS CALL STRIKE.

MADRID, June 25.—The national com-
mittee of the Communist party has dis-
tributed widely among the workers'
unions a manifesto calling for a na-
tional strike as a protest against "re-
pression of the working class."

LOYD GEORGE ASKS DE VALERA PARLEY

Continued from First Page.

has been that with bonds sold in the
United States, for instance, redeemable
upon Irish independence, it would be a
betrayal of trust to accept a lesser set-
tlement. It has been hinted to Irish
leaders from those colonial sources
which are most friendly to them that
they might well accept such a form of
dominion home rule with fiscal au-
tonomy and try it for a generation,
holding the claims for a republic in
abeyance to be enforced if, after the
trial, the scheme does not work.

It is pointed out that this would sat-
isfy both the material and moral de-
mands of De Valera's platform. But
there is always the possibility that with
the Sinn Fein army ready and equipped,
as he believes, to fight three years if
necessary, he will stand out for full and
formal recognition of Irish sovereignty.

There is no doubt that Great Britain
has not gone that far along the path of
conciliation.
There is another scheme afoot in Dub-
lin. This is that if dominion home rule
is granted, this implies, according to
such a good Tory as Andrew Bonar Law
himself, the right to secede from the
British Empire. Ireland might exercise
that right the next day if dominion home
rule were granted instead of outright
sovereign independence.

It is the hope in Dublin that Canada
and South Africa will press so hard for
an Irish settlement that Mr. Lloyd
George will be persuaded to offer fiscal
autonomy. It is pointed out, for in-
stance, that Great Britain owes Can-
ada some \$5,000,000, which might enter
into such a bargain if Canada pressed
the point. It would cost England, it is the
assumption, about that amount of Ire-
land's share of the war debt.

Against Premier Lloyd-George's "No
republic," the first card of De Valera
undoubtedly will be "Give us a republic;
recognize us as an independent sov-
ereignty, and then we will make any
kind of a treaty with you you want,
recognizing our economic and strategic
dependence upon you."

De Valera is sincere and willing to
agree by treaty to almost any kind of
a British "protecting wing" over Ire-
land, like the Platt amendment con-
cerning Cuba. But he is equally sin-
cere in desiring a sovereign status, so
that any British attempt to go further
than those treaties into abuses of Ire-
land, which form Ireland's historic
grievances—would be an international
affair and not one domestic to Great
Britain. As an international affair, De
Valera believes that the members of
the League of Nations, if freed from
British dominance, might act in favor of
Ireland. He is particularly keen to find
some device which would justify the
United States acting in case Great
Britain ever overstepped the bounds
again.

Between these two propositions there
is plenty of ground for a compromise,
and both Government and Irish circles
are highly elated over the prospects to-
night.

This is Mr. Lloyd-George's last polit-
ical card. It is a desperate one. If the
Sinn Fein does not meet it in kind it is
certain that 10,000 troops, specially
trained, and 2,000 "Black and Tans"
about the time the "twail" of July rolls
around will proceed with arguments of
quite another kind.

DUBLIN, June 25.—Dublin Castle, in
a notice issued to-day, calls the new
Parliament for southern Ireland to meet
in the Council Room of the Department
of Agriculture in Merrion Square on
June 28.

LONDON PRESS PLEASED
BY LOYD GEORGE'S ACT

LONDON, June 25.—Pleasant surprise
is expressed by the Sunday morn-
ing newspapers here over Premier Lloyd
George's invitation to Eamon de Valera
and Sir James Craig to engage in a con-
ference with representatives of the Gov-
ernment. It is pointed out that this peace
move by the Government is the most
liberal made thus far, in view of the
fact that no conditions are imposed for
the meeting. A conference is regarded
as opportune in view of the presence in
London of the Dominion Premiers.
The Sunday Times refers to the pro-

posal as the "last offer the Govern-
ment can make to the Sinn Fein," and
adds:

"It is a political potentiality that Mr.
de Valera may refuse to accept this
offer. In that case the alternative of
the Government is clear. The resources
of the British Empire to enforce peace
are not exhausted—indeed, they have not
yet been invoked."

The Sunday Observer says the Pre-
mier's letter is a counterpart and an ex-
planation of the Cabinet's decision to
increase the purely military pressure on
the Sinn Fein.

"But," it adds, "full recourse to re-
pressive measures will not be had until
or unless the Sinn Fein leaders decline
the offered conference."

The Express calls the invitation "a
radiant opportunity and a golden mile-
stone of destiny," and says it presents
"a fateful moment in the tragical, age
long alienation of the Irish and British
peoples."

The Weekly Dispatch believes the
King's visit offered a psychological mo-
ment for a peace effort.

NEW CONFERENCE IS CALLED WITH MINERS

Both Workmen and Owners
Accept Premier's Invitation
to Meet To-morrow.

LONDON, June 25.—Both the striking
coal miners and the mine owners have
accepted an invitation extended to-day
by the Prime Minister, Mr. Lloyd
George, to confer with him at the Board
of Trade Monday with the view of en-
deavoring to reach a settlement of the
coal strike, which has been in progress
almost three months.

A request by the coal miners' rep-
resentatives for a new meeting with the

Government and the coal mine owners,
decided upon last night with the object
of obtaining a settlement of the coal
strike, brought a quick response from
the Prime Minister.

The newspapers generally in their
articles to-day are more optimistic over
the possibility of an immediate settle-
ment of the long drawn out strike,
which now has been in progress nearly
three months.

The decision to attempt the reopening
of negotiations between the mine owners
and their employees was reached at a
meeting of the executive committee of
the Miners' Union last night. This step
was influenced, it was declared, by the
failure of the miners to obtain financial
support from other trade unions and the
reluctance of other labor organizations
to join with the miners for industrial
action to enforce their mutual demands.
The hope was expressed that the Gov-
ernment would renew its offer to grant
a £100,000 subsidy to the coal indus-
try as an aid to the settlement.

ALLIES TRYING TO PUT AUSTRIA ON HER FEET

Conference at Porto Rosa to
Discuss Economic Relief.

By the Associated Press.
VIENNA, June 25.—Politics have no
place on the official programme outlined
for the forthcoming conference of the
Allies with representatives of Austria in
Porto Rosa, near Trieste, to discuss
measures for the economic relief of Aus-
tria. Commercial and transportation
questions will dominate the discussion.

Among the topics specifically men-
tioned on the agenda are the removal of
the existing embargoes against imports
and exports; the transfer of goods in
bond; agreements for the exchange of
essential materials, such as foodstuffs,
fuel and metallurgical products, the al-
location among the various States mak-
ing up the Austrian republic of locomo-
tives and freight cars; improvement of
postal, telegraph and telephone com-
munications and facilitation of travel.

PARIS

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Monday

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for the Fourth and
afterwards

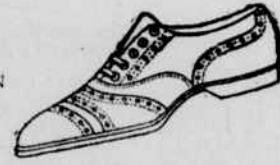
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whatever you're planning
to do on your vacation, there's
an outdoor shoe especially de-
signed to add to your pleasure
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of outing shoe—shoes for hiking,
for mountain climbing, tennis,
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sports. They are DEPENDABLE
shoes, smart and correct, of Best
and Company quality, and the
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The "Avenue"

a one-strap pump effec-
tively combines the grace
and daintiness of a pump
with the tailored lines of an
oxford. In tan calf-skin,
"foxed" all round at heel
and sole . . . 10.50

WHITE
BUCKSKIN



White Sport Oxfords

of genuine white buckskin
with rubber sole and heel.
An unusually smart shoe,
comfortable and good-
looking. A typical Best
and Company shoe value.
Special . . . 7.50

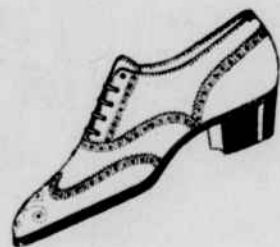


THE
AVENUE

The "Meadowbrook"

a two-strap pump is a very
swagger affair in tan calf-
skin, with buckles and
stitching to add to its
dash . . . 11.00

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BROGUE
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White Wool Hose

light in weight, and with
colored hand-embroidered
clocks in very pretty colors
smartly complement the
white sports shoes . . . 2.65

The Orpic Oxford

The flexible sole and arch
insure foot comfort with-
out losing the trim, smart
appearance. In white can-
vas, 7.50. In tan or black
calf . . . 10.00

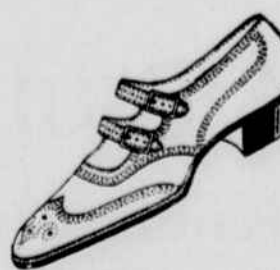


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Sneakers

of white canvas are cool
and comfortable. In vari-
ous styles and especially
wearable in the Orpic last,
the only sneaker that sup-
ports the arch. Orpic
sneakers . . . 2.65 and 2.85
Other styles in a range of
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MEADOW
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Heavy Silk Hose

in brown or grey, with
embroidered and colored
clocks accord in tone, or
are smartly in contrast,
with the sports shoe, 3.85.
Black hose of medium
weight, with beautiful,
white embroidered clocks,
3.65.

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